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- attorneys for the United States in this matter. I make this declaration based upon personal knowledge or upon information officially furnished to me.
- 2. With respect to the application of the United States for an order pursuant to Supplemental Admiralty Rule C(3) of the Federal Rules of Civil Procedure and Local Admiralty Rule 3-1 for the issuance of a warrant of maritime arrest, I state as follows:
- The United States has filed a verified complaint herein for the a. foreclosure of a first preferred ship mortgage (the "mortgage") on the named defendant res, i.e., certain of the tackle, apparel, furnishings, spares, tools, equipment and other appurtenances of the SS INDEPENDENCE (O.N. 261147), in rem. The mortgage falls within the scope of 46 U.S.C. §31301, et seq. As described more fully in the complaint, the mortgage secured amounts due the United States by Great Independence Ship Co., which at times material hereto was the sole owner of the vessel (the "shipowner").
- The shipowner failed to make payments required by the relevant b. mortgage and security agreement, thereby committing a default under the mortgage. Pursuant to 46 U.S.C. §31325, the lien of the mortgage may be enforced by the United States by actions in rem in admiralty. Furthermore, 46 U.S.C. §31325(c), vests original and exclusive jurisdiction of all such suits in the District Courts of the United States.
- c. The shipowner filed for bankruptcy protection, but relief was obtained from the bankruptcy court to proceed against the vessel in rem, and anything appurtenant to the ship. The vessel then was taken to the United States Maritime Administration's Reserve Fleet in Suisun Bay, California, which is located in the Eastern District of California. Some items from the ship's gift shop had been removed for safekeeping to a United States Maritime Administration warehouse in Alameda, California and some of which to a United States Maritime Administration safe in San Francisco, California, both in the Northern District of California and, thus, outside the Eastern District of California which had in rem jurisdiction of the vessel res.
 - d. The United States then filed an action in the Eastern District of

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California to foreclose on its aforesaid mortgage against the SS INDEPENDENCE itself, which, as stated, was located in Suisun and within the jurisdiction of the Eastern District.

- The Vessel was subsequently arrested where it was located in the e. Eastern District, sold by the Marshal, and the sale confirmed. The sale proceeds were applied to the debt owing to the United States, upon which an outstanding deficiency remains, as stated in the accounting attached to the complaint filed herein.
- f. During the pendency of the aforesaid action in the Eastern District of California, the aforesaid appurtenances of the vessel from its gift shop were maintained within the jurisdiction of the Northern District of California by the United States Maritime Administration at its said facilities in Alameda and San Francisco. Those items are the named defendant res herein. Arrest and sale of the latter res will finally conclude litigation involving the SS INDEPENDENCE, and its appurtenances, etc.

I verify under penalty of perjury, in accordance with 28 U.S.C. § 1746, that the foregoing is true and correct.

Executed this 5th day of Deuly 2007.

JEANNE M. FRANKEN

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